



United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, California 95825-1898

IN REPLY
REFER TO:
CC-100
WTR-4.00

OCT 04 2004

Mr. Leo H. Winternitz
Executive Director
Water Forum
660 J Street, Suite 260
Sacramento, CA 95814

Subject: Memorandum of Understanding (MOU) on Lower American River Flow Management Standard

Dear Mr. Winternitz:

Enclosed is an executed original of the subject contract for your records. By copy of this letter, the U.S. Fish and Wildlife Service (Service) is also being furnished an original contract for their records. The Bureau of Reclamation appreciates the effort that has been expended by the Water Forum, the Service, and their representatives relative to this MOU.

If you have any questions, please contact Mr. Mike Finnegan, Area Manager, Central California Area Office, at 916-989-7200 (TDD 989-7285).

Sincerely,

Kirk C. Rodgers
Regional Director

Enclosure

cc: Mr. Steve Thompson
Manager
U.S. Fish and Wildlife Service
2800 Cottage Way, Room W-2606
Sacramento, CA 95825-1846
(w/original contract)

08-03-11A10:03 RCVD

EXHIBIT ARWA-303

**MEMORANDUM OF UNDERSTANDING
ON LOWER AMERICAN RIVER FLOW MANAGEMENT STANDARD**

This Memorandum of Understanding (MOU), made this 4th day of October, 2004 is among the Sacramento Water Forum (Forum), the United States Bureau of Reclamation (Reclamation), and the U.S. Fish and Wildlife Service (Service), hereafter collectively referred to as the Parties.

GOALS. The Forum and its individual members (Forum Members) wish to provide a reliable and safe water supply for the Sacramento region's future economic health and planned development and to preserve the fishery, wildlife, recreational and aesthetic values of the lower American River. The Forum Members have entered into a negotiated agreement (Water Forum Agreement) to facilitate these goals. The Forum has identified a new Lower American River Flow Management Standard (new Flow Management Standard) as an essential step to achieving these goals. Reclamation, and the FWS and are committed to giving priority to the actions described below to achieve these goals.

PURPOSE. The MOU is to document the intent of the Parties to work in good faith to reach agreement on a new Flow Management Standard that would be the subject of a petition to be filed in the summer of 2005 with the State Water Resources Control Board. Action to carry out this intent and a schedule for taking the actions is as follows:

March 1, 2005 - Reach agreement on Lower American River flows to be incorporated in CVP OCAP, assuming all necessary modeling and assessment of effects are completed.

November 15, 2004 - Complete negotiation of contracts with water district members of Water Forum (San Juan Water District, City of Folsom, City of Roseville, Sacramento Municipal Utility District, and Placer County Water Agency) pursuant to which the districts will make water available in dry years for flows in the Lower American River.

April 1, 2005 - Complete and submit to FWS and NOAA Fisheries a proposed amendment to the OCAP to reflect agreed-upon changes in the Lower American River flows, together with supporting documentation and analyses that may be required for FWS and NOAA Fisheries to review and approve the amended OCAP consistent with Section 7 of the Endangered Species Act.

August 15, 2005 - Completion of review and appropriate action under Section 7 of the ESA by FWS and NOAA Fisheries in response to proposed OCAP amendment.

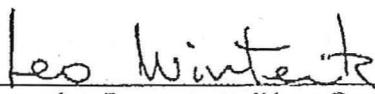
September 1, 2005 - Amendment of OCAP.

September 15, 2005 – Filing by Reclamation of a petition with the State Water Resources Control Board to amend its water rights on the American River to incorporate the agreed-upon Flow Management Standard.

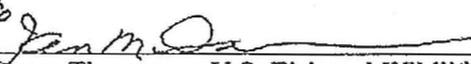
STATE AGENCY AND PUBLIC INVOLVEMENT. The parties will consult with appropriate agencies of the State of California (Department of Water Resources, Department of Fish and Game, State Water Resources Control Board) as the above actions are being developed and will consider their input and reach any agreements with those agencies as may be necessary to carry out the above actions. The parties will also provide affected interests and the public generally the opportunity to comment, through workshops and other appropriate means, on the proposed Flow Management Standard before it is submitted in a petition to the State Water Resources Control Board, and will fully consider comments received.

PERIODIC REVIEW. The parties will review at least every 30 days the progress being made toward carrying out the identified actions according to the schedule set out above. Based on their review, the parties may modify the terms of this MOU or terminate it through a written agreement signed by all the parties. In addition, any party may terminate its participation in the MOU by providing written notice to the other parties.

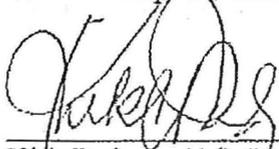
ACTIVITIES. The Parties acknowledge that the performance of any obligation by one or more of the Federal agencies that are a signatory to this MOU shall be contingent upon appropriation or allotment of funds by the United States Congress and that no liability shall accrue to the United States in case such funds are not appropriated or allotted.



Leo Winternitz, Sacramento Water Forum

Acting 

Steve Thompson, U.S. Fish and Wildlife Service



Kirk Rodgers, U.S. Bureau of Reclamation